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FISCAL IMPACT STATEMENT

LS 7038

BILL NUMBER: HB 1300

NOTE PREPARED: Jan 7, 2012

BILL AMENDED:

SUBJECT: Counties Having a Consolidated City.

FIRST AUTHOR: Rep. Bartlett

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: The bill raises the population threshold at which a city qualifies to become a first class city to 1,500,000.

It establishes a process for deconsolidation of a consolidated city if the population of the consolidated city becomes less than the number that defines a first class city.

The bill provides that each political subdivision in the county having the consolidated city becomes a reorganizing political subdivision and establishes a reorganization committee to prepare a plan to reorganize the political subdivisions in the county.

The bill provides the procedures for the operation of the reorganizing committee.

It provides the details required for the reorganization plan.

It provides that if the voters of the county approve the reorganization plan, the political subdivisions in the county are reorganized as provided in the reorganization plan.

It also provides that if the voters of the county do not approve the reorganization plan, the consolidated city becomes a second class city and the other political subdivisions in the county will be governed as provided by law for other like political subdivisions.

Effective Date: July 1, 2012; January 1, 2013.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: The bill will have indeterminate fiscal impact based on the comprehensive reorganization plan (plan) drafted and the voters decision on the plan. If the governments created or involved are able to fulfill their duties and responsibilities more efficiently than the consolidated government, costs could decrease. However, if the duplicative systems are required for each government to fulfill duties and responsibilities, the overall cost could increase.

Background: The 2010 census data indicate that the population of Marion County is 903,393 and Indianapolis is 820,445. The bill increases the population requirement for a first-class city from 500,000 or 600,000 or more (there are two standards in statute) to 1.5 million. Indianapolis is the only first-class city in Indiana.

Under the bill, a consolidated city that no longer meets the definition of a first-class city must reorganize either through a plan, or if the plan is rejected, as a second-class city and county.

The plan would be prepared by a nine-member reorganization committee, including three members appointed by the consolidated city executive, two members appointed by the city-county council, one member each jointly appointed by the excluded cities, school corporations, townships, and among the county treasurer, auditor, and assessor. The members of the reorganization committee serve without compensation, but may be reimbursed for necessary expenses incurred. Any other expenses of the reorganization committee are paid by the fiscal officer of the consolidated city, and portioned among the entities, as follows:

Consolidated City	6/9
Excluded Cities	1/9
School Corporations	1/9
Townships	1/9

The plan is to include:

- The name and description of each reorganized political subdivision.
- A description of each political subdivisions boundaries.
- Taxing areas for the retirement of the obligations of the reorganizing entities.
- Information about the legislative , fiscal, and executive bodies of the reorganized political subdivisions.
- The services and service areas of the reorganized political subdivisions.
- The disposition of personnel, agreements, assets, and liabilities.
- A statement of whether a fiscal impact analysis has been prepared and whether it has been made available to the public.
- Tax levies, tax rates, and budgets for each reorganized political subdivision.
- Any other information.

It will be posted on the consolidated city's website and it will be presented to the legislative body of each

reorganizing political subdivision at a public hearing. The legislative bodies of the reorganizing political subdivisions will have public meetings on the plan, and within 30 days of the meeting its legislative body, each legislative body will adopt a resolution endorsing the plan or adopt a resolution requesting change of the plan. The earliest of 1 year after the plan is completed or 30 days after receiving the most recent resolution of a reorganizing political subdivision, the reorganization committee will hold a public hearing to consider changes to the plan and to hear public testimony. Thirty days after this public meeting the reorganizing committee will hold a meeting to adopt amendments to the plan.

Once the plan is filed with the clerk of the circuit court, a public question is to placed on the ballot at the next general election. An affirmative vote of county voters will result in reorganizing political subdivisions and the offices of their elected officials ceasing to exist as established under the plan. The transfers of duties, property, and liabilities and the establishment of executive, legislative, and fiscal bodies will take place in the manner specified in the plan.

If voters reject the plan, the city will be come a second-class city and the boundaries of the city will be the boundaries of the city at the time of consolidation. One year prior to deconsolidation, the city-county council may divide the territory into districts. The city legislative body will consist of nine members and the county executive and fiscal body will be elected at the first general election after the effective date of the deconsolidation. Until the election the county auditor, assessor, and treasurer act as the executive and fiscal body. Before the effective date of deconsolidation, the city-county council may divide the county into four contiguous single member districts from which four members of the county fiscal body will be elected, with three at-large members.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Marion County.

Information Sources: <http://www.stats.indiana.edu/topic/census.asp>

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